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Social & Personal

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Egypt Buys More In Holland Than It Sells

By Henriette Boas
AMSTERDAM, Tuesday.—Dutch exports to Egypt in the first nine months of 1952 were nearly eight times Egyptian exports to Holland. Exports to Egypt were valued at \$1,350,000 Dutch florins, imports from Egypt at \$1,350,000, the Netherlands-Egypt Chamber of Commerce reported recently. The equivalent figures for 1951 were \$1,377,000 and \$1,350,000.

An official Egyptian cotton exporters' mission will visit Europe shortly in an attempt to increase cotton exports to the Continent, now that Great Britain no longer buys Egyptian cotton. The mission is headed by Dr. A. Grunwald, a well-known physician, and is the husband of Dr. A. Grunwald, a well-known physician.

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Tourist Agents Say Business Is Declining

HAIFA, Tuesday.—The importance of encouraging tourism was expressed here by Mr. D. Melamed, Chairman of the Israel Tourist and Travel Association, at its annual conference on board the s.s. Negheb here earlier this week.

Because of Government inactivity tourism to Israel was on the decline, while it was increasing all over the world, he said. According to Mr. Melamed, the potential tourist would not accept \$1.5 for his dollar when he could get much more in New York. Other countries allowed realistic rates, he said.

Mr. Melamed demanded that a realistic exchange rate be granted to tourists and warned that lifting price controls on hotel bills, while maintaining currency controls would mean disaster for tourists.

Mr. E. Iron, Director of the Tourist Centre, agreed that the situation was not good. However, he pointed out that the Government had to be realistic and that the tourist industry was not a commercial one.

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Dr. Sneh Has Burnt His Bridges Behind Him' Ya'ari Says

Most morning papers yesterday dealt with the situation on the border and relations with the Arab countries.

The shortest editorial in the press was published by 'Haret' which says simply: 'In place of a leading article: Our reply to Nagib, Dr. Sneh will be liberated, the original editorial having apparently fallen victim to the military censor's scissors.'

Dr. Sneh and his henchmen might of course refuse to give back their Knesset mandates, but unlike the Livshitz-Landman group, or some of the former Chaim Weizman's associates, they are not the only faithful defenders of the Haifa platform of the party is ridiculous: it now appears that they only paid lip service to that part of the platform which stressed the impossibility of collaboration with Maki (the Communists), while secretly trying to achieve such cooperation on all fronts.

Mr. Ya'ari remarks that Dr. Sneh did not even attempt to answer the charges against him but instead established a small faction of his own for which, in view of its anti-Zionist stand, there is no room in Mapam, while at the same time insinuating that the rest of Mapam (the large majority) had taken its stand about Prague on the 'inspiration from outside, bourgeois and Mapai influence.'

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Israel to Meet Spain in 1953 Davis Cup

Israel has been drawn to play Spain in Madrid in the Davis Cup (tennis) competition, European Zone match, to be completed before May 8.

Twenty-four teams form part of the European Zone contest with eight gaining byes into the Second Round. These are: Italy, the winner of last year's European Zone contest; Great Britain, the Philippines, Denmark, Germany, France, Belgium and Sweden.

The First Round games in full are: Finland vs. Ireland; Yugoslavia vs. Switzerland; Brazil vs. Hungary; Luxembourg vs. Norway; Spain vs. Israel; South Africa vs. Monaco; Ceylon vs. The Netherlands; Egypt vs. Austria. The Second Round games have to be played off by May 12.

The winner of the Spain-Israel tie will face Sweden; the Luxembourg-Hungary tie, the Czech Republic; the Ceylon-Netherlands tie, the Netherlands; and the Egypt-Austria tie, Denmark. Israel will face the winner of the Spain-Israel tie in the quarter-finals.

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Yitzhak Sadeh Memorial Wrestling Contest

The opening contest for the Yitzhak Sadeh Memorial Cup wrestling trophy brought a 10-4 win to Tel Aviv Hapoel over Jerusalem Hapoel in the Tel Aviv Hapoel Hall last Friday (as briefly reported Sunday). This formed the beginning of a country-wide Hapoel contest.

The results were: FEATHERWEIGHT: S. Amir (Tel.) beat Jerusalem (J.A.) 10-4. LIGHT: S. Amir (Tel.) beat Jerusalem (J.A.) 10-4. MIDDLE: S. Amir (Tel.) beat Jerusalem (J.A.) 10-4. HEAVY: S. Amir (Tel.) beat Jerusalem (J.A.) 10-4.

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Where to go

JERUSALEM
10-11:30: 2-4: American Library and Reading Room, U.S. Consulate, Masliah Road, Tel Aviv.
11-12: Exhibition of Oil Paintings and Drawings by Ben-Zion (1948-1949), graciously donated by Mr. W.G.B. (Ben-Zion), 10-11:30: 2-4: American Library and Reading Room, U.S. Consulate, Masliah Road, Tel Aviv.

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Irish Outplay France

Ireland, with five new caps, played a roaring game at Belfast on Saturday to defeat the strong French pack by 16 points to three.

The new pack of forwards, inspired by Jack Kyle, captain and playing in his 27th consecutive international, made this third triumph for the Irishmen.

Lawler, McCarthy, Kyle and Mortell (a new cap) scored tries, while the backs converted. France's only points came from a dropped goal by Carabinier. The French team was practically the same as the one which lost to Scotland a fortnight ago.

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Wednesday, January 26, 1953
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TO eat and drink, without a thought for tomorrow, or an all-out effort on everyone's part, it is hard to win the battle on the economic front — this, in the words of the Minister of Finance, is the alternative which faces the country. This somewhat rhetorical choice Mr. Eshkol gave the Knesset yesterday at the end of an outline of the financial position and of the steps already taken by the Government to cope with it. His report amounts to an interim balance sheet pending the Estimates for the coming fiscal year.

Some of the figures quoted by the Minister had already been made public. It was no surprise, therefore, to learn that income tax receipts in the first nine months of the current fiscal year amounted to IL37m., out of an estimated full year's income of IL47m. But a comparison with previous years reveals a highly significant trend, insofar as the share of this tax in the total revenue account of the State has risen from 26 per cent in 1949/50 to 42 per cent in the first nine months of 1952/53, whereas the share of indirect taxes dropped from last year's 54.8 per cent to 44.4 per cent.

While it is true that this development is due, in part at least, to anti-inflation measures, it is questionable whether it can be accepted as wholly desirable. This is where the difference between a fiscal and an economic approach becomes apparent, but Mr. Eshkol is not the first Finance Minister to choose what is often thought to be the line of least resistance. While all indirect taxation carries in itself a certain degree of social "justice," at least as far as primary necessities of life are concerned, it is even more true to say that in a young economy excessive direct taxation can have a boomerang effect. There is strong ground for the claim that this point has been reached and that it calls for most serious consideration in the preparation of the next budget.

Of equal importance were the Minister's views on the question of subsidies. While, in a general way, all food and similar subsidies amount to robbing Peter in order to pay Paul, it is unthinkable that we could do without some measure of bridging the gap between a reasonable standard of living at home and the cost of imported essential consumer goods. But here, too, we have reached the point where it must be asked whether we can afford to let commodities which are in short supply be sold at a price which is not to be dissipated and illicit traffic not to be stimulated. In short, it will be difficult to refuse Mr. Eshkol's argument that the local price for imported goods must somehow be approximated to the international level. We cannot ignore the figures adduced by the Minister with regard to the amount of work required here and in other countries to earn the foodstuffs. It will come as a surprise to many that before the Second World War a worker in this country had to work more than half an hour for a kilogram of bread, whereas it takes only eight minutes today — compared with 15 minutes in the United States under the Labour Government.

The conclusion to be drawn from such facts is twofold. On the one hand, monetary manipulation alone would lead to an unworkable jump in the cost-of-living index and defeat a relatively successful anti-inflationary policy; on the other hand, production must be increased by all means, in agriculture as well as in industry, with greater emphasis perhaps on the former, in line with Mr. Eshkol's urging. But it is not the volume alone that matters if we cannot raise the level of productivity as well. This becomes glaringly evident when it is realized that our foreign trade deficit reached the alarming figure of nearly IL70m. in the first eight months of 1952, more than in the same period last year. It may well become advisable, as Mr. Eshkol suggested, for our export capacity to be supported by new fiscal means, but it would be wise to rely on such measures if they are not accompanied by the sure method of higher production and much higher productivity of work.

The line to be taken by our economic planners is fairly clear. It should be equally clear by now that even the wisest planning is doomed to failure if it is not supported by the effort of all classes of the population.

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Some of the figures quoted by the Minister had already been made public. It was no surprise, therefore, to learn that income tax receipts in the first nine months of the current fiscal year amounted to IL37m., out of an estimated full year's income of IL47m. But a comparison with previous years reveals a highly significant trend, insofar as the share of this tax in the total revenue account of the State has risen from 26 per cent in 1949/50 to 42 per cent in the first nine months of 1952/53, whereas the share of indirect taxes dropped from last year's 54.8 per cent to 44.4 per cent.

While it is true that this development is due, in part at least, to anti-inflation measures, it is questionable whether it can be accepted as wholly desirable. This is where the difference between a fiscal and an economic approach becomes apparent, but Mr. Eshkol is not the first Finance Minister to choose what is often thought to be the line of least resistance. While all indirect taxation carries in itself a certain degree of social "justice," at least as far as primary necessities of life are concerned, it is even more true to say that in a young economy excessive direct taxation can have a boomerang effect. There is strong ground for the claim that this point has been reached and that it calls for most serious consideration in the preparation of the next budget.

Of equal importance were the Minister's views on the question of subsidies. While, in a general way, all food and similar subsidies amount to robbing Peter in order to pay Paul, it is unthinkable that we could do without some measure of bridging the gap between a reasonable standard of living at home and the cost of imported essential consumer goods. But here, too, we have reached the point where it must be asked whether we can afford to let commodities which are in short supply be sold at a price which is not to be dissipated and illicit traffic not to be stimulated. In short, it will be difficult to refuse Mr. Eshkol's argument that the local price for imported goods must somehow be approximated to the international level. We cannot ignore the figures adduced by the Minister with regard to the amount of work required here and in other countries to earn the foodstuffs. It will come as a surprise to many that before the Second World War a worker in this country had to work more than half an hour for a kilogram of bread, whereas it takes only eight minutes today — compared with 15 minutes in the United States under the Labour Government.

EAST GERMAN ARMED FORCES 'ACTIVATED'



The "Deutsches Volkswacht" (German National Army) has now been activated all over East Germany. This army has its own uniforms and a small but efficient navy. The East German Forces are now on parade in East Berlin.

Russia Remodels the Cominform

By RICHARD LOWENTHAL

BERLIN.—THE liquidation of the remnants of the old Cominform machine and its replacement by a new Russian chain of command to the Western Communist Parties, not compromised by any share in the offensive tactics of 1951 to 1949 and not relying on Communists from the satellite countries, has made decisive strides forward during the last month of 1952.

On December 6 and 7 last year, the Central Committee of the Communist Parties of France and Switzerland (the latter calls itself the "Party of Labour") held simultaneous meetings. In Paris, the former Politburo members Andre Marty and Charles Tillon were removed from all Party offices and Marty was handed over to his cell for expulsion (which has now been effected), while Francois Billoux emerged as a new acting political chief of the Party in the continued absence in Moscow of Maurice Thorez. In Zurich, the expulsion of the former Party president, Leon Nicole, postponed in the summer of Cominform intervention, was at last carried out.

Equally, at the beginning of December, the Greek Communist Party announced the expulsion of M. Jannakides, hitherto the trusted lieutenant of the Party leader, M. Zachariades. Even more important, Nikolas Plumbides, the Party's underground leader inside Greece, whose messages played a prominent role in the Belgrade trial in Athens last February, was suddenly caught by the Greek police and immediately denounced by Moscow. These developments, together with the liquidation of a number of international apparatuses, Party bureaus, and the Prague trials, and with the subsequent announcement of the replacement of the Slovak Party secretary, Bastovansky, who was Sianaky's fellow-delegate at the foundation meeting of the Cominform in 1947, confirm that the "disolution" of the Cominform, current in recent months, were at least an oblique reflection of some real event.

In fact, the Cominform had been dead years before and probably even before the war, as the official Cominform newspaper, published from Bucharest, has long given the impression of a paper which is a policy-making organ. War was the Cominform's death knell, as it was of the I.S.O.

over the two people most directly concerned in this, former Czechoslovak Deputy Foreign Trade Minister, Eugene Leeb, and former Deputy Foreign Minister, Arthur London, have been kept alive so that they may still function as witnesses in future trials — most probably against Anna Pauker, the Rumanian former Foreign Minister, who once played a leading role in this type of operation.

Funds Fiasco
It may be recalled that Leeb was arrested as early as November, 1949, on charges of withholding part of the foreign exchange yielded by Czechoslovakia's westward exports. According to certain Czech Communist refugees of recent vintage, Sianaky was involved in the same charge at the time, but could prove that the money had been paid on Cominform instructions into some cover account in Switzerland for the use of Western Communist Parties. It is known that Arthur London carried out a similar job in Switzerland at an earlier date. At the Prague trial, Party secretary Frank stated that this diversion of foreign exchange had been carried out by people whom the Party machine had specially placed into the Foreign Trade Ministry.

It is noteworthy that charges concerning the alleged misuse of Party funds are now also raised against Messrs. Marty and Tillon, and that the Greek Communist leaders now sacrificed were also compromised in the Belgrade trial by evidence that they received international Communist funds via France. As M. Nicole wrote on the day before his expulsion, Arthur London's admission that he had accomplices abroad means that the game started at Prague must now be continued all over the place.

OPNS
A perplexed Parliament gave him power because it thought that with his flashing intelligence, toughness of character, and unlighted realism — he would best be qualified.

Conservative Jew
A member of an old Alsatian Jewish family distinguished for learning and piety, M. Mayer was born in Paris on May 4, 1885, and grew up to be a perfectly assimilated Frenchman, speaking cultured, urbane, and witty. Profoundly conservative by nature, he remained a practicing Jew.

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PHOENICIA'S OVERPRODUCTION PROBLEMS

Bottles by the Billion

By GERDA L. COHEN

ONLY a yell reached above the fearful din of glass splintering and shattering, furnace-roar. Outside Phenicia in Haifa, broken glass was heaped like dirty snow; they shoveled up a drift and poured it into the furnace, the new device which took years to build and a treasury to finance. Molten plate-glass slid inch by inch over rollers to the top of a high tower, an everlasting vertical sheet of glass fed by the glass furnace far below. Two men watch the rim of glass appear and grow upright; they snap it off and without a word hurl it down the chute with a great crash: the plate was flawed, and fractured like the glass guide.

Process Mechanized
Alongside the glass elevator, and its unending fiery river, another, white-hot stream, from another furnace, the bottle-moulding machine. A sizzling pear-drop of glass fell from the crucible at second intervals, to be caught by iron claws, slapped and hollowed into a bottle, within a second shuffling out of the machine, elbowed by a dozen identical bottles — 20,000 every 24 hours. At present a worker grabs four bottles with a strong and steps over to put them inside the tempering kiln, an automatic "stacker" now being installed, will do the job more quickly. Improved moulders, (one already in action) will triple output but unless the furnace goes full-blast night and day, Phenicia's degree of mechanization will be a hindrance rather than a help.

Sand Imported
The pundits counter, "export." Is this a feasible idea? Until 1951, sand was imported from Belgium, its freight by ship cheaper than trucking it from the Negev. When large deposits of quartz sand were discovered in the Great Crater, the Government prevailed on glass-manufacturers to develop foreign expenditure and use local material. Sole Boneh lorries bring about 600 tons of sand a month to Haifa, at about twice the cost of sand shipped there, thus raising the market-price of glass. To manufacture soda-ash would mean erecting an expensive plant, yet Phenicia

alone needs an allocation of \$200,000 yearly to import the chemical which constitutes with developed heavy industry can obtain at next to nothing. Tentative orders having arrived from Turkey, Phenicia had to devise a way of packing its fragile traveller. Plate-glass, sheets draped over against the heat to form a solid rectangle weigh incredibly heavy — therefore cost a lot to freight — and have to be wedged in timber crates which also add weight to the retail price. On the face of things, it would seem that Israel does not have in main-machinery geared for glass production without a serious examination of export possibilities.

Stacks of bottles, of every conceivable shape, lay in man-high heaps outside the packing-shed. I reckon there's about 2,000 tons of bottles waiting for customers out there," said the manager gloomily. "People in the trade are shy of spending — their cash has disappeared like everyone else's." Phenicia, unlike small private firms, can pit collective strength against the head-bank of deflation: Historic Bosh lorries bring about 600 tons of sand a month to Haifa, at about twice the cost of sand shipped there, thus raising the market-price of glass. To manufacture soda-ash would mean erecting an expensive plant, yet Phenicia

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